



HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE

3430 Courthouse Drive ■ Ellicott City, Maryland 21043 ■ 410-313-2013 Voice/Relay

Calvin Ball
Howard County Executive
cball@howardcountymd.gov

www.howardcountymd.gov
FAX 410-313-3051

February 22, 2026

The Honorable Kriselda Valderrama, Chair
Economic Matters Committee
230 Taylor House Office Building
Annapolis, Maryland 21401

Re: **TESTIMONY IN SUPPORT of House Bill 506:** Economic Development - Transformational Project Financing Program - Establishment

Dear Chair Valderrama, Vice-Chair Charkoudian and Members of the Committee:

Thank you for the opportunity to submit written testimony in support of House Bill 506, establishing the Transformational Project Financing Program. This legislation creates a Transformational Project Financing Program and Fund within Maryland Economic Development Corporation (MEDCO) to support development districts with approved transformational plans and locally authorized tax increment financing (TIF) districts.

Today, counties designate TIF districts and issue bonds to finance development, with incremental real property tax revenues used to service that debt. However, as infrastructure costs continue to rise, jurisdictions increasingly face funding gaps. HB 506 responds to this challenge by expanding local flexibility, allowing jurisdictions to use additional revenue sources, including State income, sales and use, and other designated taxes, to support TIF bonds.

Howard County's TIF District in Downtown Columbia illustrates why this flexibility matters. It represents one of Maryland's most ambitious redevelopment efforts. Guided by a 30-year master plan, the district is transforming a former suburban commercial center into a dense, walkable, mixed-use urban core with regional scale and impact.

The district anchors major employers such as Tenable, CareFirst, and TEDCO. It includes more than 2.3 million square feet of office space and 1.6 million square feet of retail. The Merriweather District and Lakefront areas continue to experience active construction, new restaurant openings, and significant private investment, including a nearly fully leased medical office building opening this year.

Importantly, the TIF structure allows future tax growth within the district to be reinvested in critical infrastructure, supporting projects such as the new central library, structured parking, and other public improvements necessary to catalyze private development. While current revenues cover debt service, projected slowdowns in development may create future fiscal constraints. As transformational districts mature, flexibility becomes essential.

Looking ahead, Howard County has also recently designated an Enterprise Zone within our Gateway Innovation District. Adopted in 2025, this district is guided by a transformational plan that will require coordinated investment at scale. The Gateway Master Plan anticipates market demand for up to 8,400 new housing units, 8,100 new jobs, 1.8 million square feet of commercial and innovation/flex



HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE

3430 Courthouse Drive ■ Ellicott City, Maryland 21043 ■ 410-313-2013 Voice/Relay

Calvin Ball
Howard County Executive
cball@howardcountymd.gov

www.howardcountymd.gov
FAX 410-313-3051

office space, and approximately 312,000 square feet of retail and restaurants. While financing structures are still being developed, having a full toolbox available will be critical. Limiting repayment strictly to district revenues reduces flexibility precisely when adaptability is most needed.

HB 506 would provide Howard County with additional options for supporting TIF-related debt, including the ability, if we choose, to leverage other County revenues. The bill also permits bond proceeds in State-supported districts to be used for construction, rehabilitation, or expansion of privately owned buildings and related improvements, whereas current law limits their use primarily to infrastructure.

Large-scale redevelopment projects span decades, economic cycles, and market shifts. Having multiple financing mechanisms available strengthens long-term resilience and enables jurisdictions to remain responsive as conditions change.

Specifically, HB 506 would:

- Expand financing tools available to counties
- Provide stability for large-scale, multi-year redevelopment projects
- Support infrastructure investment and commercial revitalization

Modern economic development is about building complete communities that endure economic cycles. HB 506 recognizes this reality and strengthens Maryland's ability to compete.

For these reasons, Howard County respectfully urges a **favorable report on House Bill 506**.

Thank you for your consideration.

Respectfully,

Calvin Ball
Howard County Executive